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78 BRASILIA 3814

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ACTION PM-05

INFO OCT-01 ARA-10 ISO-00 INR-10 MCE-00 ABF-01 OMB-01
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P R 112043Z MAY 78

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 7484

INFO SECDEF WASHDC

JCS WASHDC

USCINCSO SOUTH

CHAIRMAN US DEL JBUSMC RIO DE JANEIRO

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E.O. 11652: GDS

TAGS: MASS, MILI, MOPS, BR

SUBJECT: FUTURE MILITARY COOPERATION WITH BRAZIL

REF: (A) STATE 13652

(B) CHAIRMAN USDEL JBUSMC RIO MSG DTG 081824Z MAY 78

(C) CHAIRMAN USDEL JBUSMC RIO MSG DTG 021952Z MAY 78

(D) CHAIRMAN USDEL JBUSMC RIO MSG DTG 041925Z MAY 78

(E) USDAO BRASILIA IR 6809023978

(F) STATE 47743

1. REF A REQUESTED EMBASSY'S VIEWS ON ESTABLISHMENT OF AN IN-COUNTRY SECURITY ASSISTANCE MANAGEMENT ORGANIZATION AND QUERIED WHETHER THE BRAZILIAN GOVERNMENT WOULD AGREE TO THE OPERATION OF SUCH AN ORGANIZATION. REF A ALSO REQUESTED EMBASSY'S RECOMMENDATIONS ON THE NUMBER OF PERSONNEL REQUIRED TO CARRY OUT RESIDUAL SECURITY AND MANAGEMENT FUNCTIONS.

2. IN REF B, THE EMBASSY INDICATED IT WOULD COMMENT IN THIS MESSAGE UPON THE PROPOSED FY-79 JOINT MANPOWER PROGRAM JTD FOR A 6-OFFICER/2-CIVILIAN/3-LOCAL CONFIGURED OFFICE OF DEFENSE COOPERATION (ODC)

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AS PROVIDED FOR IN THE FY-79 CPD.

3. AN IN-COUNTRY SECURITY ASSISTANCE MANAGEMENT ORGANIZATION AS DESCRIBED IN PARA 3, REF A, AND REF F WOULD OVERSEE A RESIDUAL FMS PROGRAM

TOTALLING APPROXIMATELY \$55 MILLION OF WHICH \$35 MILLION IS IN SALES TO THE BRAZILIAN NAVY, \$13 MILLION TO THE BRAZILIAN ARMY AND \$7 MILLION TO THE BRAZILIAN AIR FORCE. THIS REPRESENTED

APPROXIMATELY 370 FMS CASES ACCORDING TO DECEMBER, 1977 DSAA LEVEL SUMMARY--THE FIGURES ARE PRESUMABLY SOMEWHAT LOWER NOW. OF THE 370 CASES ABOUT 16 PERCENT (60) WERE CASES FOR LESS THAN \$100. ABOUT 27 PERCENT (90 CASES) WERE FOR AMOUNTS GREATER THAN \$100,000 AND ONLY 11 CASES FOR SALES OF GREATER THAN \$1 MILLION. THE GENERAL NATURE OF MATERIEL IN THE PIPELINE CONSISTS OF SPARE PARTS, AMMUNITION

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Authority NW 45265
By MPA/MSW, NARA, Date 1 June 2015

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(INCLUDING TORPEDOS AND MISSILES), TRAINING AIDS AND LOGISTICS SUPPORT EQUIPMENT. THERE ARE NO REPEAT NO MAJOR WEAPON SYSTEMS IN THE PIPELINE. WHILE THERE IS NO FIRM INDICATION OF DELIVERY DATES, WE ANTICIPATE MOST OF THE CASES WILL BE TERMINATED BY 1980 WITH THE REMAINDER CONTINUING THROUGH FY-83. OUR TENTATIVE CONCLUSION WOULD BE THAT A PIPELINE OF THIS MAGNITUDE NEED NOT INVOLVE A MAJOR CONTINUING SECURITY ASSISTANCE EFFORT.

4. IT IS UNCLEAR TO US WHAT ROLE, IF ANY, A SECURITY ASSISTANCE MANAGEMENT GROUP WOULD HAVE IN SUPPORTING COMMERCIAL TRANSACTIONS BETWEEN THE BRAZILIAN SERVICES AND US MANUFACTURERS. BY OUR UNDERSTANDING OF THE PRESIDENT'S ARMS TRANSFER POLICY, THE SECURITY ASSISTANCE MANAGEMENT GROUP WOULD BE ENJOINED FROM STIMULATING SALES (REF F,

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PARA 8). IF, HOWEVER, WE ANTICIPATE A ROLE IN SUPPORTING COMMERCIAL MILITARY ITEM TRANSACTIONS, THIS MAY BECOME A MAJOR FUNCTION FOR THE GROUP AFTER THE END OF FY-78 WHEN BRAZIL IS NO LONGER ELIGIBLE FOR SECURITY ASSISTANCE INCLUDING CASH SALES.

5. WE BELIEVE TWO POTENTIAL BRAZILIAN ASSETS IN THE ADMINISTRATION OF SECURITY ASSISTANCE HAVE NOT BEEN SUFFICIENTLY UTILIZED: (A) THE BRAZILIAN PURCHASING COMMISSIONS IN WASHINGTON (BELIEVED TO BE ABOUT 25 MEN) AND (B) BRAZILIAN MILITARY ATTACHES IN THE BRAZILIAN EMBASSY IN WASHINGTON. BOTH ORGANIZATIONS COULD ASSUME MANY OF THE "POST OFFICE" FUNCTIONS THAT JBUSMC BY ITS SIZE AND PRESENCE HAD ASSUMED IN THE PAST IN ADDITION TO ELEMENTS OF, IF NOT ALL, OF THE FUNCTIONS DESCRIBED IN PARA 3B, REF A AND REF F. GREATER UTILIZATION OF THE PURCHASING COMMISSION AND ATTACHES WOULD BE MORE IN KEEPING WITH OUR INTENT THAT FOREIGN GOVERNMENTS

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MANAGE THEIR OWN PROGRAM TO THE EXTENT POSSIBLE
(REF F, PARA 6A). IN SUM, THE GOB HAS PERSONNEL
IN THE US TO PARTIALLY SERVE A SECURITY ASSISTANCE
MANAGEMENT FUNCTION AND THEY ARE AT PRESENT NOT
FULLY UTILIZED.

6. IF THE DEPARTMENT CONCLUDES THAT THE DIMENSIONS
OF THE RESIDUAL FMS PROGRAM IN BRAZIL AS DESCRIBED
ABOVE REQUIRE A SECURITY ASSISTANCE MANAGEMENT GROUP
IN BRAZIL, WE BELIEVE IT WOULD BE MOST APPROPRIATE TO
LOCATE SUCH A GROUP IN THE DEFENSE ATTACHE OFFICE AS
PERMITTED UNDER SECTION 515(C) OF THE FOREIGN
ASSISTANCE ACT OF 1961, AMENDED. WE NOTE THAT IN
26 COUNTRIES, AMONG THEM ISRAEL, UK, LEBANON,
AUSTRALIA, WHERE THERE ARE MAJOR BILATERAL MILITARY
COOPERATION VENTURES AND FMS PROGRAMS, THE DEFENSE
ATTACHE OFFICE SUPERVISES AND HAS RESPONSIBILITY FOR
SECURITY ASSISTANCE MANAGEMENT FUNCTIONS. WE WOULD
ESTIMATE THAT THE FUNCTIONS DESCRIBED IN PARA 3, REF A,
COULD BE CARRIED OUT BY THREE O-3 TO O-5 (CAPTAIN TO
LT. COL) LEVEL REPRESENTATIVES OF THE ARMY, AIR FORCE
AND NAVY THROUGH FY-1980 WITH AN ON-GOING PRESENCE

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DETERMINED BY THE LEVEL OF RESIDUAL CASES AFTER FY1980.
THE GROUP WOULD REQUIRE ONE CLERK TYPIST; OTHER SUPPORT
COULD BE FURNISHED BY THE EMBASSY. FOR HIGHLY TECHNICAL OR
SPECIALIZED PROBLEMS, THIS SMALL COMPLEMENT MIGHT BE
SUPPORTED AS REQUIRED BY SENDING TEMPORARY DUTY PERSONNEL
TDY FROM CONUS OR OTHER COMMANDS TO BRAZIL FOR LIMITED
DURATION.

7. THIS IS A LOWER STAFFING ESTIMATE THAN THAT
PROVIDED BY CHAIRMAN USDEL JBUSMC IN RESPONSE TO
USCINCSO'S REQUEST FOR PROPOSED STAFFING FOR AN
ODC (REF D); IN ACCORDANCE WITH THE INSTRUCTIONS IN
REF A WE HAVE TRIED TO TAILOR OUR RECOMMENDATIONS
CLOSELY TO ANTICIPATED RESIDUAL SECURITY ASSISTANCE
NEEDS.

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8. THE BRAZILIAN ARMY AND AIR FORCE STAFFS WILL HAVE COMPLETELY MOVED TO BRASILIA BY AUGUST 1978. WE FAVOR LOCATING THE ENTIRE GROUP IN THE EMBASSY IN BRASILIA RATHER THAN ALL OR PART IN RIO. WE RECOGNIZE THAT THE NAVAL OFFICER ASSIGNED WILL REQUIRE OFFICE SPACE IN THE CONSULATE GENERAL IN RIO AND CONSIDERABLE TRAVEL, BUT WITH EMFA AND THE THREE SERVICES MINISTRIES NOW LOCATED IN BRASILIA, WE BELIEVE THE ENTIRE STAFF SHOULD BE COLOCATED WITH THE DAO IN BRASILIA.

9. OBVIOUSLY THE SECURITY ASSISTANCE MANAGEMENT GROUP, WHILE NOMINALLY UNDER THE DEFENSE ATTACHE, WOULD HAVE NO MILITARY INTELLIGENCE FUNCTIONS AND WOULD BE DESCRIBED TO THE HOST GOVERNMENT AS ASS'T SERVICE ATTACHES WITH RESPONSIBILITY FOR SECURITY ASSISTANCE MANAGEMENT FUNCTIONS.

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10. IN TERMS OF COMMAND RELATIONSHIP WE PREFER THAT EACH SERVICE SECTION REPRESENTATIVE, WHILE RESPONSIVE TO THE SEPARATE SERVICES, JCS, AND DSAA, AT POST REPORT TO THE AMBASSADOR THROUGH THE DEFENSE ATTACHE.

11. THE GOB OFFICIAL ATTITUDE TOWARDS IMPLEMENTING AN ON-GOING SECURITY ASSISTANCE MANAGEMENT GROUP IS NOT CLEAR. STATEMENTS BY THE BRAZILIAN CNO (REF C) AND BY THE COMMANDER OF THE BRAZILIAN AIR FORCE SUPPORT COMMAND (REF D) HAVE INDICATED THAT BOTH THE NAVY AND AN IMPORTANT AIR FORCE ELEMENT WOULD LIKE TO SEE SOME SORT OF ON-GOING MILITARY COOPERATION TO ASSURE THAT THE RESIDUAL SECURITY ASSISTANCE MANAGEMENT FUNCTIONS CONTINUE. THE ARMY, HOWEVER, HAS NOT INDICATED ITS POSITION ALTHOUGH AN ARMY SOURCE (REF E) INDICATED MILITARY MISSIONS ARE NOT ACCEPTABLE TO THE GOB AND THAT THE GOB PREFERENCES TO DEAL THROUGH THE SERVICE ATTACHES. AT THIS JUNCTURE, WE DO NOT KNOW IF THE BRAZILIAN GOVERNMENT HAS FOCUSED ON THE QUESTION OF ON-GOING MILITARY COOPERATION WITH THE US.

12. IF WASHINGTON CONCURS, WE PROPOSE TO APPROACH THE FOREIGN MINISTRY AND, SIMULTANEOUSLY, EMFA, ON AN INFORMAL BASIS, INDICATE WE HAVE HAD SOUNDINGS FROM TWO SERVICES ABOUT CONTINUED COOPERATION,
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DESCRIBE THE KINDS OF FUNCTIONS A SECURITY ASSISTANCE
MANAGEMENT GROUP IN THE ATTACHE OFFICE WOULD PERFORM
AND GIVE THE GOB AN OPPORTUNITY TO REACT.

13. IN EXPLAINING THE FUNCTION OF A SECURITY
ASSISTANCE MANAGEMENT GROUP TO ITAMARATY, WE WILL
NEED TO MAKE CLEAR THAT THE CREATION OF SUCH A
GROUP WILL IN NO WAY REQUIRE A HUMAN RIGHTS REPORT.
WE NOTE, HOWEVER, IN REF A THAT AN ODC IS INCLUDED
IN THE FY-79 CPD AND WE WONDER IF IT IS LIKELY THIS
WILL LEAD TO A CONGRESSIONAL REQUEST FOR HUMAN RIGHTS
REPORT ON BRAZIL (WHICH WOULD OF COURSE RENDER
ANY SUCH ARRANGEMENT UNACCEPTABLE TO THE GOB).

14. CHAIRMAN, U.S. DELEGATION, JBUSMC DOES NOT CONCUR IN
THIS PROPOSAL BUT PREFERS THE LARGER ODC STAFFING RECOMMENDED IN
REF B. HE SUBMITS THE FOLLOWING COMMENT:

A. I HAVE CAREFULLY REVIEWED THE RESIDUAL SECURITY
ASSISTANCE MANAGEMENT REQUIREMENTS IN BRAZIL. BASED
ON MORE THAN TWO YEARS OF SPECIFIC MANAGEMENT EXPER-
IENCE IN THAT AREA I DO NOT BELIEVE THAT THE SIZE OR

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CONCEPT OF THE PROPOSED MANAGEMENT ELEMENT CAN
EFFECTIVELY CARRY OUT THE ROLES AND ACTIVITIES AS
PRESCRIBED BY THE DEPARTMENTS OF STATE AND DEFENSE
IN REF F. ACCOMPLISHMENT OF THE NECESSARY FUNCTIONS
ASSOCIATED WITH MAP EQUIPMENT, MANAGEMENT OF FMS
CASES, PIPELINE ACTIVITIES AND MONITORING SECURITY
ASSISTANCE ITEMS AND SERVICES TO AN ACCEPTABLE DEGREE,
WILL REQUIRE, AS A MINIMUM, THE LEVEL RECOMMENDED
IN REF B.

B. ADDITIONALLY, THE PROPOSED CONCEPT DOES NOT
PROVIDE THE CHIEF OF DIPLOMATIC MISSION WITH A
SENIOR EXPERIENCED ADVISOR IN THIS IMPORTANT AREA
OF INTEREST; SECURITY ASSISTANCE MATTERS WILL
LIKELY BE ACCORDED A PRIORITY SECONDARY TO NORMAL
DAO FUNCTIONS; DAO PERSONNEL WILL NOT LIKELY BE
GRANTED THE FREEDOM OF ACTION CURRENTLY ENJOYED BY

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PERSONNEL INVOLVED IN SECURITY ASSISTANCE MATTERS,
WITH A RESULTANT LOSS IN EFFECTIVENESS.

C. IT IS REASONABLE TO LOOK TO THE BRAZILIAN
PURCHASING COMMISSIONS AND THE ATTACHES FOR INCREASED
RESPONSIBILITY IN THE FIELD OF FMS MANAGEMENT.
HOWEVER, IT IS MY EXPERIENCE THAT, ALTHOUGH THEY
ARE FAIRLY COMPETENT IN PROCUREMENT MATTERS, MANAGEMENT
OF THE OVERALL PROGRAM IS POOR AND WILL NOT IMPROVE IN
THE NEAR FUTURE. IN THE MEANTIME, THEY WILL CONTINUE
TO DEPEND LARGELY ON QUALIFIED U.S. MILITARY PERSONNEL
TO ENSURE SUCCESSFUL PROGRAM IMPLEMENTATION. END COMMENT.
15. DEPT PLEASE PASS TO AMBASSADOR SAYRE.

JOHNSON

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